

Conversation with Horatio Seymour, ON THE NATIONAL DEBT AND TAXES.

SPEECH OF HON. WILLIAM D. KELLEY,

AT SPRING GARDEN HALL,

SEPTEMBER 8th, 1868.

Mr. KELLEY, having been greeted with long-continued cheers, said :

MR. CHAIRMAN AND FELLOW-CITIZENS : I thank you for this cordial greeting, and congratulate you upon the happy auspices under which the campaign has opened. The victory is won before the battle has fairly commenced. [Cheers.] Since our last Congressional canvass, availing myself of recesses in public duty, I have traversed twenty-six of Pennsylvania's sister States, to a greater or less extent, and in seventeen of them have addressed my fellow-citizens in public assemblies upon political or economical topics. I wanted to observe the practical workings of the reconstruction laws of Congress, and, with my own hand, to feel the public pulse in the different sections of the country. I have been twice upon the borders of the Lakes, and once upon the shore and waters of the Gulf, and having mingled with your fellow-citizens and mine on the western banks of the Mississippi, am yet weary from recent labors among our countrymen on the east banks of the Penobscot. I bring you good tidings from Maine—from that State that we of the old Democratic party used to call the star of the East. Vermont poured a cold blast of East wind on the Democracy [laughter ;] but when they hear from Maine they will experience the severest Northeast storm they ever encountered. [Renewed laughter and applause.]

The Gubernatorial election in Maine will practically determine the Presidential election. Except where there is a hope of carrying honorable or lucrative local offices, there will be no vigorous contest made by the Democratic party after Tuesday next.

But I am not to speak on general issues now. The campaign presents an unusually large number of issues on which any man familiar with the questions might delight to talk with his neighbors, but having chosen for my theme to-night "The Finances of the Country," I am compelled to confine my observations within the prescribed limit.

In his remarkable letter of July 24, to the Hon. C. M. Ingersoll, Mr. Seymour says:

"I see the Republicans are trying to dodge the financial issues and to sink the election into a mere personal contest. Our papers must not allow this. They must push the debt and taxation upon public attention."

This letter is very characteristic. Not only does it illustrate your egotism, Mr. Seymour, but impels one to exclaim with Hamlet, "There are more things in heaven and earth, Horatio, than are dreamt of in your philosophy." The American people are very thrifty; but they are not devoted to dollars and cents, debits and credits. There is patriotism—love of country; philanthropy—love of mankind; religion—a reverential consciousness of responsibility to God! Animated by these ennobling sentiments, to which your political career proves you to be a stranger, more than a million of our countrymen dared the dangers of the battle-field and showed their willingness, if need be, to die, that their country against whose life you were conspiring might live. [Cheers and long-continued applause.]

Unfortunate, my friends, for his aspirations as is the record of Mr. Seymour, erratic as has been the course and revolutionary as are the utterances of Blair, it would indeed belittle the contest, were the Republicans to rest their claims to success upon personal grounds. In view of the characteristics of these gentlemen, it might be done with perfect safety to the issue, but not with justice to the people. For never were grander issues presented to the consideration of a people than those to which their attention is now invited, and never did the argument all lie so absolutely with one party to the contest. No, Mr. Seymour; it is not the Republicans who are trying to dodge the financial issues. They have no cause to shrink from the discussion of the debt and taxation; they are willing, and well may they be, that the public shall understand these topics in all their amplitude. [Applause.] And now, in opening the campaign in my own district, I propose to follow the course I pursued during my recent tour through Maine, and bring to their calm consideration, fully, freely, and fairly, the financial questions of the day. More than this, I propose, Mr. Seymour, to disclose to the people in the course of the canvass, in some faint degree the terrible necessities of your party, by exposing the flagrant falsehoods required at your hands and at the hands of your party associates, to invest these troublesome questions with an aspect prejudicial to the cause of Republicanism.

Who are responsible for the Indebtedness of the Nation?

I propose, my fellow-citizens, as a proper preliminary question, to ask first, who are responsible for the present embarrassed condition of the country; by whose agency the nation has been burdened with debt and taxes, of which the Democracy now complain. You know, that upon the Democratic party rests this responsibility, and that Horatio Seymour bore a conspicuous part in the evil-doings of the leaders of that party. But let not the response to this grave question come from me; let history answer it. And that it may not be suggested that a snap judgment has been taken on a partial view of the facts, let us give the Democracy the benefit of the history of the thirteen years immediately preceding the inauguration of Abraham Lincoln. What, then, are the facts? The Mexican War was concluded by the treaty of Guadalupe Hidalgo, in February, 1848. The Democratic party then held every branch of the Federal Government in supreme control. They had the Executive Department; they had both branches of the Legislative Department; they had the bench of the Supreme Court by an almost unanimous voice—in a word, with the exception of about sixteen months, (from the 4th of March, 1849, to the 6th of July, 1850,) during which General Taylor was President, the co-ordinate branches of the Government were in the absolute control of the Democratic party. For whatever of merit there was in the administration of the Government, during those thirteen years, the credit is due to that party; but if upon careful inquiry it be found that the administration of governmental affairs was productive of evil only, we will carry that fact, Mr. Seymour, to your account, and that of the party whose candidate you are.

What was the financial condition of the country in the month of February, 1848? Before the close of the war, the Congress then in session had authorized a loan of sixteen millions of dollars for war purposes, and it had been taken; nay, more, it had brought half a million of dollars of premium; and Benton records the fact that more than half the bidders for the loan were much disappointed, having under-estimated the credit of the country, and offered too low a rate of premium. We asked for sixteen millions at six per cent., and thirty-five millions were offered, and a premium coupled with the tender of every dollar. Upon the sudden termination of the war, through the intervention of a private citizen, N. P. Trist, Esq., (for the politicians had not meant that it should terminate so speedily,) it was found that the loan had not been required. It was, however, applied to the absorption of Treasury notes, of which considerable amounts had been issued. Let James K. Polk and Senator Benton, whose Demo-

cracy you, Mr. Seymour, will not dispute, state the financial condition of the country. In his last annual message, speaking of the fiscal year in which the war closed, Mr. Polk used this language:

"The expenditures for the same period, including the necessary payment on account of the principal and interest of the public debt, and the principal and interest of the first instalment due to Mexico on the 30th of May next, and other expenditures growing out of the war, to be paid during the present year, will amount, including the reimbursements of Treasury notes, to the sum of \$54,195,275.06; leaving an estimated balance in the Treasury, on 1st July, 1849, of \$2,853,694.84."

Of the next year, and the last of his administration, he says:

"The Secretary of the Treasury will present, as required by law, the estimate of the receipts and expenditures for the next fiscal year. The expenditures as estimated for that year are \$33,213,152.73; including \$3,799,102.18 for the interest on the public debt, and \$3,540,000 for the principal and interest due to Mexico on the 30th day of May, 1850; leaving the sum of \$25,874,050.35, which, it is believed, will be ample for the ordinary peace expenditures."

Mr. Benton, in 1856, commenting upon this message, exclaims:

"About twenty-five millions of dollars for the ordinary expenditures of the Government, and this the estimate and expenditure only seven years ago—now three times that amount, and increasing with frightful rapidity!"

Yes, Horatio Seymour, within eight short years of peace had your party increased the ordinary expenses of the Government three hundred per cent.—in that brief interval of peace swollen them, to the horror of Benton and all other patriots, from twenty-five millions to seventy-five millions per annum. While referring to Benton, let me repeat to you what he says in his "Thirty Years in the United States Senate." His language is pertinent to our discussion of the national debt and taxes. It is as follows:

"At the return of peace every public security was above par; the national coffers full of gold, and the Government, having money on hand and anxious to pay its loans before they were due, could only obtain that privilege by paying a premium upon it sometimes as high as twenty per centum, thus actually giving one dollar upon every five for the five before it was due."

Would time permit I would gladly review the general legislation of the period of which I am speaking, but I cannot stop to consider even its leading features—not even the infamies of the Kansas-Nebraska transactions, nor the repeal of the Missouri compromise, which, having been a concession to the South by the North, had for more than thirty years preserved the peace of the country, and secured the cold but fertile Northwest to freedom and paid labor, while giving to the South the amplest room for the extension of its system of unpaid labor.

Passing these and other kindred topics I hasten to those which have a direct relation to the debt and taxes which you, Mr. Seymour, would have the Democratic papers press upon the attention of the country, and therefore pass at once to the 17th of November, 1860, on which day South Carolina adopted an ordinance of secession. Mississippi adopted a like ordinance on January 9, 1861; Florida on January 10; Alabama, January 11; Georgia, January 19; Louisiana, January 25, and Texas, by her convention, adopted such an ordinance on the 4th of February, 1861, and on the 23d of the same month endorsed it by an overwhelming vote of the people. Three days after Texas had thus absolved the ties which bound her as a State to the Union, three days after the last of these seven States had severed, in the language of the lamented Lincoln, "their practical relations with the Union"—three days after the Democratic leaders of those States had, to quote the words of Andrew Johnson, "by the rebellion which has been waged by a portion of the people of the United States against the properly constituted authorities of the Government thereof, in the most violent and revolting form," deprived the people of those States "of all civil government," representatives from each of them assembled as a Southern Congress at Montgomery, Alabama. On the 8th of that month they adopted the provisional constitution of a Confederacy, and elected Jefferson Davis President, and Alexander H. Stephens Vice President thereof. On the eighteenth of that month Mr. Davis was inaugurated, and on the twenty-first, announced his Cabinet. Meanwhile the representatives of these and other States had withdrawn from their seats in the Senate and House of Representatives of the National Congress. Allow me, Mr. Seymour, just here, to put one question: Pray, tell me, was there a single Republican among the large number of members thus retiring from either House? Was there among those who represented those seven States in that Southern Congress a single Republican? Were Mr. Davis and Mr. Stephens Republicans? Or did Mr. Davis invite any Republican to a seat in his Cabinet? No, sir; they were Democrats all; and their action in thus dismembering the Government was the action of the Democratic party. [Great applause.] Every man to whom I have referred, who has survived the shock of arms and flow of time, is today a Seymour and Blair man, and is as devoted to your fortunes, Mr. Seymour, as were the murderers of men, women, and children, whom you harangued as your "friends" in the New York Park. [Applause.] Shake not your gory locks at us, Horatio Seymour; thou canst not say that we, the Republicans of the country, did this. But you are a plausible and an elo-

quent man, say your friends. Would that they could add, a frank and truthful man. But your last utterances upon the financial questions of the country preclude any man from applying these honorable titles to you, Horatio Seymour! But, with your usual plausible dexterity, you may suggest that these were Southern men; that they viewed questions from a peculiar standpoint; that they were impelled by the influence of habit, early education and peculiar position, and that the Democratic party must not be held responsible for their deeds. If you raise that issue, I invoke history to settle it, with the confident assurance that all men who listen to her voice will say that it was the work of the Democratic party, and that you and other leaders of the Northern Democracy are no less responsible for the course of events than were Jefferson Davis and the men who called him to the Presidency of the bastard government over which he presided. [Applause.]

How Buchanan's Administration Promoted the Rebellion.

The Thirty-sixth Congress, overwhelmingly Democratic in both branches, assembled on Monday, the 3d of December, 1860; but one State (South Carolina) had then seceded. Her ordinance of secession was not the first treasonable ordinance she had adopted. In 1832 she had adopted an ordinance of nullification, and the President of the United States had made known his purpose of hanging her leaders as high as Haman, and laying Charleston, her chief city, in ashes if she attempted to enforce it; and, like a pouting child, she had abandoned her unholy purpose, but continued to snarl and fret and plead for sympathy in her evil moods. So now, on the 3d of December, 1860, had the representative of the then dominant party, in the Executive chair, followed the example of Andrew Jackson, her ordinance of secession would have proved a mere *brutum fulmen*, as the ordinance of nullification had been.

Other States waited for official assurance of the proposed course of the President and the Democracy of the North. From the 17th of November, when South Carolina acted upon the question, until the 9th of January, when Mississippi adopted her secession ordinance, was, in a crisis like that, a very long period. And it is a fact that but for the bold avowal of sympathy with the seceders by you, Horatio Seymour, and the other leaders of the Democracy of the North; but for the official assurance given by President Buchanan that he would not exercise coercion or use any other power than moral suasion to save the unity and life of the nation, no second ordinance of secession would have been adopted; and there would have been no bonds and no debt for Horatio Seymour and the papers of his party to press upon the

attention of the people of the United States for electioneering purposes. [Cheers, and cries of "That's true."]

But let history speak. Congress assembled on the 3d of December, and on the 4th Mr. Buchanan delivered his annual message, in the very preface to which he asks the question :

"Has the Constitution delegated to Congress the power to coerce a State into submission which is attempting to withdraw, or has actually withdrawn, from the Confederacy?"

And what was his answer to that question? It was in these words :

"After much serious reflection, I have arrived at the conclusion that no such power has been delegated to Congress, nor to any other department of the Federal Government."

The body of Mr. Buchanan's message was little else than an amplification of this fatal answer to that pregnant question. Nay, more than that, as if fearing that this assurance of impunity to the Democratic leaders in their war upon our Government might prove insufficient, he appended to his message the elaborate opinion of his Attorney General, Jeremiah S. Black, of Pennsylvania, enforcing his own views. That opinion bears date November 20, 1860, and had unquestionably been submitted by its author and his recreant chief to the leaders of the incipient rebellion. I need not remind you, Mr. Seymour, that Mr. Black leads your forces in Pennsylvania. "But that," you answer with your accustomed plausibility, "does not prove that I entertain these opinions." Oh, no, Mr. Seymour! And while it is true that "birds of a feather flock together," we will admit that this proof is not conclusive, and permit you to speak for yourself on this subject.

Mr. Seymour Personally Responsible.

On the 31st of January, 1861, a Democratic State Convention assembled in Tweddle Hall at Albany, to consider the impending perils of the Union. No man in that convention was more prominent than you, Mr. Seymour; no man addressed it with more potential voice. Did you demand the maintenance of the Union at whatever cost, and warn the rebels that they were involving the country in war and themselves in ruin? Did you denounce the imbecility of Buchanan, the treasonable craft of Black, the bloody recklessness of the Southern leaders? Oh, no! your denunciations were not for these, your political friends; they were hurled at the liberty-loving and law-abiding people of the North. You denounced the resistance of the North to the unconstitutional, unholy, and insatiable demands of the slavery extensionists as "senseless, unreasoning fanaticism," and exonerating the rebels from all blame,

you added the assurance of your conviction that we could not conquer them, and advised your friends that to attempt it would be as revolutionary as secession itself. Your words were :

"It would be an act of folly and madness in entering upon this contest to underrate our opponents, and thus subject ourselves to the disgrace of defeat in an inglorious warfare. Let us also see if successful coercion by the North is less revolutionary than successful secession by the South."

Do not, my fellow-citizens, history and his own words thus bring home to the Democratic party as a party, and to Mr. Seymour as one of its leaders, the responsibility not only for the debt with which we are burdened, for the taxes so annoying, but also for the anguish we have endured and for the still fresh and green graves on once bloody fields, covering the bones of brave patriots in whose valor we glory while mourning their loss? [Applause.]

The Condition of the Finances when Mr. Lincoln was Inaugurated.

On the 4th of March, 1861, Abraham Lincoln was inaugurated, and by the retirement of Democratic Senators and Representatives the Republican party found itself responsible for the executive and legislative branches of the Government. Had the Southern Democratic members not withdrawn, the Republican Executive would have been powerless, for while they remained in their seats the Democracy had a clear working majority in both houses. Nor could the political complexion of the Senate have been changed during the four years for which Mr. Lincoln had been elected. Had every State election gone against the Democracy during his term, and every Senator whose term had expired been supplanted by a Republican, the Democrats would still have retained a large working majority in the Senate; so that no law could have been passed without the consent of the Democratic party, and no official appointment requiring confirmation been made that was not acceptable to the Democracy. But having withdrawn, and the maintenance of the Government being in question, the Republicans assumed the responsibility thus unexpectedly devolved upon them. That Mr. Lincoln was constitutionally elected has never been questioned. He was inaugurated on the 4th of March, very nearly a full month after the establishment of the Confederate government, and more than a fortnight after the inauguration of Jeff Davis as its President.

Mr. Seymour, will you have the frankness to tell us the financial condition of the Government when the Republican party assumed its administration? Remember, Benton tells us that the credit of the Govern-

ment had been so good that, even during a foreign war, our loans had commanded a premium, and that when we had asked for a loan, more than two dollars had been tendered, with a premium, for every one asked. Remember that he also tells us that, in the interim, our Treasury had so abounded that we had gladly paid \$120 for every hundred we owed for the privilege of anticipating the maturity of the debt. Did your party, Mr. Seymour, hand over a full treasury to Mr. Lincoln? No, sir. The 4th of March, 1861, the day of Mr. Lincoln's inauguration, found the debt of the Government to be more than \$70,000,000; and during the last month of the administration of the Treasury by that earnest friend of yours, Howell Cobb, who is now stumping Georgia with such enthusiasm for your cause, attempted, as Secretary of the Treasury, to borrow five millions of dollars. In order to obtain this small loan, or professedly for that purpose, Mr. Cobb visited New York and other Eastern cities. No bids were made at the rate of six per cent., and when he offered twelve per cent. per annum in gold, it brought but half the required amount, only \$2,500,000; the whole of which sum was necessary to pay the current salaries of the President and his subordinates. Call you this good financiering, Mr. Seymour? Can you find reasons in this record which ought to induce the people of this country to reentrust the administration of its financial affairs to you, and those who with you thus bankrupted it, and deprived it of credit in a season of prosperity?

But, my fellow-citizens, a bankrupt and discredited Treasury was not the only calamitous result of Democratic rule. The seceding States had taken possession of forts, arsenals, mints, hospitals, and every form of public property within their limits, and had handed them over to the Confederate government. By the consent of Mr. Buchanan and his Secretary of War, John B. Floyd, (as is proven by the letter-book of General Twiggs, now in the possession of his executor, Edward Shippen, Esq., of this city), our army, stationed by Floyd in Texas and New Mexico, had been surrendered to the forces of the Confederacy; and while the forts and arsenals of the North had been emptied and those within the Confederate limits had been gorged with arms and munitions of war, our navy had been sent to the most distant stations or laid up in ordinary at Norfolk and Pensacola, by the direction of that now leading light of Seymourism in New England, Isaac N. Toucey, Democratic Secretary of the Navy—so that when the Democracy of the South, under its new government, fired upon Fort Sumpter and plunged the country into war, Abraham Lincoln, the Republican President, could command but four of the vessels of the navy, and they among the smallest.

Thus, Mr. Seymour, having bankrupted the country, destroyed its credit, robbed it of the means of self-defence, you and your party handed it over to your Republican successors manacled, and, save in its great spirit, which you have never been able to comprehend, impotent even for the work of self-defence. [Applause.]

The Republican Party Assume Power.

The inaugural address of Mr. Lincoln was a plea for peace. His Cabinet was composed of men of the most moderate councils. He still hoped that better conclusions would prevail with the South, and that the Union might be preserved without the horrors of war; but on the 12th of April, the first fort, Sumpter, was fired on; and on the 15th of that month, not as the representative of the Republican party, but in his official character as President of the United States, Abraham Lincoln issued a proclamation calling forth the militia of the several States of the Union, to the aggregate number of 75,000. His language was this:

"I deem it proper to say that the first service assigned to the forces hereby called forth will probably be to repossess the forts, places, and property which have been seized from the Union."

How inadequate for the work were these 75,000 men, we all know. How the number swelled to millions, and the dead on either side to more than thrice 75,000, alas! we know too well! But the life of the country, its unity, and the supremacy of the Constitution were worth these sacrifices a thousand-fold over. The sorrows and agonies of the war were for a generation, but our Union is for all time, and our example for all men; and when the names of all but the most distinguished leaders of our cause shall be forgotten, generation after generation will still rise to call them blessed who did this great work. But you, Mr. Seymour, and your friends who organized the rebellion, who encouraged and sustained it, are responsible not only for every dollar spent in the war, but for every life laid down in the contest. [Applause.] And, if the debt and taxes be a burden, to the Democratic party, as represented in the convention that nominated you, does the responsibility attach. [Cries of "That's true," "That's a fact."]

What expenditure it required to create a navy ample enough to maintain our honor on the seas and to blockade our extended coast; to put into the field millions of men, arm, equip, feed, and transport them; to provide pensions for the wounded and crippled, and widows and orphans, time will not permit me to state. But let its magnitude be what it may, I repeat the assertion that it was called for by the tur-

pititude of the Democratic party, which was approved by you in your Tweddle Hall speech and by all your subsequent public acts and utterances.

What is the Debt?

Now, my fellow-citizens, what is this debt? It is the unpaid balance of the cost of maintaining the life and unity of your country. It is the comparatively small sum remaining due of the cost of preventing the establishment on the American continent of two great military republics, each of which would have drafted the first-born of every household for its standing army or navy. It is the unpaid balance of the cost of securing to the American people perpetual peace in lieu of what the Democracy proposed—inconstant war or armed neutrality, such as the States of Europe maintain.

Mr. Seymour, you prove that you little know the American people by the expression to Mr. Ingersoll of your belief that while remembering the great price they have already paid for the execution of this beneficent work, they will regard the debt and taxes to which they find themselves subjected as grievances to be deplored. Ah, sir, yonder tottering old man walks in poverty and adversity because your Southern rebellion required him to send forth to die in battle or in pestilential prisons of the South the stalwart sons whose presence would have made the close of his life calm and roseate. And yonder pale-faced woman, an American mother, whose husband sleeps in an unrecognized grave in the far South, and who, while he lived, knew not toil—her struggle is now that the children of her hero husband shall have the advantages of our free institutions, and be prepared to die, if other Davises and Seymours arise, as their father died, in defence of country, Constitution, and the rights of man. These myriads of men with empty sleeves, or who lean on crutches—think you that they murmur at the taxes they pay? No! They glory in having performed their duty like men, and rejoice that the privilege was given them of proving their readiness to die in so sacred a cause.

But, sir, these and such as these can tell you of the real cost of the war, and shame even you, Mr. Seymour, into believing that in comparison with what has been gained, the total of the debt incurred in the suppression of your Democratic rebellion is too insignificant to influence the vote of a single American patriot. You desire to discuss this little balance, Mr. Seymour; but when we point out the real and terrible cost of the war and justly hold its authors responsible, you write to Mr. Colin M. Ingersoll that we "are trying to sink the election into a mere personal contest." [Cheers and applause.]

Relation of Debt and Taxes to Population,---and Incidentally of Greenbacks and Bonds.

What, Mr. Seymour, are the relations of this debt to the population of the country, to its realized wealth, and to its future resources? To enlighten us on these questions we must ascertain the amount of the debt and its character, and happily the papers of the day bring us the last monthly statement of the Secretary of the Treasury. By reference to it you will find that the total debt, less money in the Treasury, is \$2,535,614,313.03; of this sum \$425,650,125.01 bears no interest, \$112,984,911.37 being greenbacks, fractional currency or gold certificates of deposits, and the balance matured debt not presented for payment, and much of which never will be presented, the bonds and other obligations representing it having been lost or destroyed. I also invite your attention to another item of \$35,314,000, upon which the Government is not called to pay interest. I allude to the six per cent. bonds issued to the Pacific Railroad Company, the interest on which is, and the principal of which will be paid by the company. Thus you will perceive that there are \$460,364,125 of this amount upon which the people are not taxed for interest, and a considerable percentage of which they do not really owe.

Thus, it appears from the last official statement that the total interest-bearing debt amounts to \$2,075,250,188.02. Of this sum more than \$65,000,000 is at three per cent., and \$221,588,480 at five per cent. So that it requires the collection of about \$120,000,000 annually to pay the interest. Let me allude to the \$400,000,000 of currency.—Whether that portion of the debt be a burden or a blessing, no man can decide, for upon that question the ablest and the purest men in the country differ. It is in your pocket and mine, and in that of every sober and industrious man and woman in the country, and it will imperceptibly disappear under the operation of natural laws, whenever the neglected branches of our industry shall be adequately protected and the balance of trade be turned in favor of this country.

However opinion may divide on the question, whether the national currency is now a blessing or a burden, no man, who believes that the Union was worth preserving, will deny that it was authorized in compliance with an overwhelming necessity. Even you, Mr. Seymour, dare not and cannot dispute this proposition. Your friend, Jefferson Davis, had ordered the reduction of Fort Sumpter, and the rank and file of your party had executed his order. Your friends and supporters in the convention over which you presided, and which nominated you for the Presidency, Wade Hampton, Forrest, *et id omne*, were already in the field at the head of rebel

armies. They must be beaten or the Union be forever Sundered.

In response to President Lincoln's call for 75,000 troops, more than 100,000 had offered and been accepted, and sent to the front, and the atmosphere was vocal with the American Marseillaise, "We are coming, Father Abraham, Three Hundred Thousand more." To provide for the demands upon the treasury, which your party had not only bankrupted, but burdened with a bonded debt of \$70,000,000, Congress was called together in extra session. You will pardon me, Mr. Seymour, if in response to your infamous suggestion to Mr. Ingersoll, that your papers "must press the debt and taxation upon public attention," I ask you personally where the money was to come from, with which to pay, feed, clothe, arm, and transport these patriot soldiers; to establish hospitals and a medical corps to care for them when sick, or wounded by your friends; and to provide pensions for the crippled, and the widows and orphans of the killed?

It could not be borrowed in gold from foreigners, because you in your Tweddle Hall speech, had, when speaking for your party, told them we were "to subject ourselves to defeat in an inglorious warfare," and that if you were mistaken in this, the debt would not be paid, as coercion by the North would be no "less revolutionary than successful secession by the South;" and your friends Vallandigham, Voorhees and Pendleton, the organs of your party in Congress, were not only refusing to vote a dollar or a man to the army, but in oft-reiterated and widely-circulated speeches, denouncing the war as unconstitutional and any debt contracted in its support as unholy and void.

In view of these facts I repeat the question, Mr. Seymour, what were we to do? There was but one thing you left us the power to do, which was to create a National currency—make it a legal tender, and thus compel you and every other ally of the rebellion in the North to sustain the credit of the government by taking its notes in payment of debts and for goods sold. (Immense and continued cheers.) But, Mr. Seymour, you are a plausible man, and I think I hear you say, "What has this to do with the bonds? It was of the bonds and the taxes necessary to pay the interest that I requested Mr. Ingersoll to complain." You understand the question thoroughly, but for the benefit of those who are listening to us, let me show why the bonds were as necessary as the currency.

You know that the laws of trade determine the relations between the volume of circulation required by the business demands of a country; and that the danger of an irredeemable currency is that the volume may be carried to such an excess as to impair its value and unsettle business. This was the case you remember with the

French Assignats, of which such an amount were issued that they ceased to be worth one cent on the dollar. That experiment ruined every business man in France. You know, too, Mr. Seymour, that our Continental money, which was irredeemable, and for the funding of which no provision was made, produced the same disastrous consequences, and is still unpaid. I will not wound your sensibilities by an elaborate reference to the fate of the Confederate currency, but will simply remind you that when your friend General Lee surrendered to Grant, you could buy \$1000 of Confederate currency with a \$1 greenback. (Laughter and applause.)

It was the duty of a Congress charged with the salvation of the nation to avert such fearful consequences as these, and in spite of the eloquent resistance of your friends Voorhees, Vallandigham and Pendleton, and the filibustering efforts of their followers, Congress, having limited the volume of currency to an amount sufficient to quicken the industry of the people, and the development of the resources of the country, and enable our own looms and spindles, and forges and furnaces to supply the wants of the army and navy, provided for the issue of bonds, in which patriotic people could invest their earnings and prevent the undue expansion of irredeemable currency by lending the government its own notes. (Applause.) Of the effect of this wise legislation on our wealth and industry I have not time to speak, but my hearers will remember how quickly every unemployed man was offered steady work, and an increase of wages beyond any former rate. (Cries of "That's so.") And, Horatio Seymour, should that hive of presidential aspirants, the judges of the supreme court, ignore that cardinal maxim of public law which recognizes the health of the nation as the supreme law of the land, and pronounce the legal tender clause unconstitutional, history and the people will vindicate the wisdom and patriotism of Congress in thus compelling such men as you to contribute to the public credit. (Protracted cheers.)

But, fellow citizens, to return from this digression; as I have said, the interest bearing debt is \$2,075,000,000, and the annual interest on it is \$120,000,000.

Mr. Seymour and his satellites would persuade you that you are burdened and borne to the earth by this debt and the taxes it exacts from you. I apprehend that you are like the man who disturbed the court by his sobs as his case was stated by counsel. His lamentations becoming unbearable, he was addressed by a tipstaff: "Sir, you must quit crying or leave the court." "Oh! sir," said the weeping man, "I can't restrain myself; I knew I had been wronged, but I did not know how terribly I was hurt till I heard Lawyer Jones just tell my story to the jury." (Laughter.)

Now, you don't know, my fellow-citizens, how you are suffering, how terribly this debt is oppressing you, and these taxes are depriving you of food and raiment. Why, my dear sirs, were they assessed upon us per capita; did each man, woman and child in the country have to pay his or her proportion of the interest, it would amount to the fearful sum of nearly six cents per week upon each. Yes, my fellow-citizens, this debt and taxes, the discussion of which, according to Horatio Seymour, the Republicans are so anxious to avoid, would, if it were specifically assessed on each person, amount to the enormous sum of three dollars per year upon each American citizen. (Laughter and applause.)

Why do you not weep, men of the Fourth Congressional District? Can each of you stand so terrible an exaction? But the debt is not imposed upon the people; it makes few if any exactions upon labor. Republican wisdom and patriotism, expressing the wishes of the people of the country, have relieved labor from most of this burden, and imposed it upon wealth and luxury. There are many of our worthy people who scarcely pay a tax in the course of the year, while the luxurious and intemperate feel the restraining burdens of the Government. (Cheers.)

Now, my friends, having stated the amount of the debt and the exactions it makes, let me ask you a question: Is there in this large assemblage a man who, if assured that it would require him to pay six cents a week for life to preserve the cemeteries in which our soldiers are buried and the monuments erected to their memories, would hesitate a moment before pledging himself to pay it. (Cries of "No, no; not one," and cheers.)

Relation of the debt to the capital or realized wealth of the people—Census statistics.

The people of this country now number 40,000,000, and you divide \$2,000,000,000, the sum of our bonded indebtedness, by 40,000,000, and you have fifty dollars as each citizen's portion of the bonded debt of the United States. Why, if the people of this country who own more than \$1,000 each, clear of the world, were to determine to pay the debt before the first of next January, and each contribute his portion, no man would realize on that day that he had parted with any of his possessions.

I leave the current labor of the country out of the calculation; I exclude the crop of the year, whether it come from the labor of the agriculturist, the miner or the mechanic, the fisherman or the sailor; I regard merely the realized wealth, the taxable property of the country, that of which the census properly takes account. Were less than one year's interest upon this contributed, not only would the whole debt be extin-

guished, but there would be a balance in the treasury so large as to puzzle the people and statesmen of the country how to make a wise disposition of the surplus funds of the Government.

In order to settle this question we must ascertain what the realized wealth of the country amounts to, and to do this we must look fairly at facts. What, my fellow-citizens, do you believe to be the aggregate wealth of the American people—not the property of the Government, not the more than one million and a quarter of square miles of territory upon which State governments have not yet been organized—but the property owned and held by individual citizens of the United States?

As the census reports show, it was, in 1789, \$619,977,247.92; in 1850 it had reached \$7,135,780,228; and in 1860, as was shown to the Superintendent of the Census by individual returns of real and personal estate, private property had reached the sum of \$19,089,156,289—being an increase of 170 per cent. within ten years. Now, fellow-citizens, the law of the aggregation of property is that it augments in a steadily increasing ratio. The increase upon the \$7,000,000,000 of 1850 was not 17 per cent.; in 1851 it was at a much smaller rate, and at a greater rate in 1859.

Wealth, like the snow-ball, accumulates, gathers volume and momentum as it rolls forward, and in the last year of that decade the increase was at a rate much higher than 20 per cent., and at that rate begun this decade, of which eight years have passed. No fair statistician, if governed exclusively by the laws of statistics, would estimate the rate of increase from 1860 to the present day, at less than 170 per cent. And add 170 per cent. to the \$19,089,156,289 of 1860 and you have considerable over \$51,000,000,000.

Six per cent. on this amount would be considerably over \$3,060,000,000, so that if those who owned \$1,000 clear of the world would give on each such clear and unembarrassed \$1,000 four-tenths of one year's income, at six per cent., the entire debt would be paid off. Now, gentlemen, would the man who is worth \$100,000 be ruined by foregoing two-thirds of one year's interest? Would the man who is worth \$50,000 be ruined by foregoing two-thirds of one year's interest? Would the man who owns but a single \$1,000, over and above the results of his labor and his business, feel that he was ruined if, on the first of next year, he should find that his tenant had cheated him out of \$40, or that some company in which he had invested his \$1,000 had from purely temporary reasons paid him but \$20 instead of \$60 dividend. Yet this operation would, as I have said, extinguish within the year 1868 the debt over which the Democracy groan. That it is a burden is unfortunately true. But, Mr. Seymour, it is not for you and your friends, its authors, to reproach the Republican party with its existence.

What Railroad Statistics Prove.

"Ah, but," says Seymour the plausible, "you rest your calculations on the census figure, and you assume that the ratio of increase has followed the general law of development and statistics. I deny your proposition and dispute your conclusion."—Well, then, Mr. Seymour, let us confront the general facts; let us look for ourselves, and see whether the wealth of the country has not increased more rapidly since the 4th of March, 1861, when Abraham Lincoln became President, and the Republicans responsible for the management of the Government, than it had ever increased before, or than the wealth of any other people had ever increased.

Let me invite your attention, Mr. Seymour, to the condition of the railroad system of the country. I have here Poor's Manual of the Railroads of the United States, an authority in which all railroad men acquiesce. I find by it that in 1850, we had 9,021 miles of railroad in operation, and that in 1867 (seventeen years thereafter) we had in operation 39,244 miles. Here, sir, is an increase vastly beyond my ratio of computation, and it grew thus in spite of the fact that your Democratic rebellion suspended the building of railroads throughout the Southern States for five years, and reduced it for four years, to wit: from 1861 to 1865, to about 80 per cent. of the average amount constructed per annum before the rebellion in the Northern States.

But let us not stop with this; let us inquire what were the earnings of these roads, for that tells the story of the development along the lines; tells us what fields have been cleared and cultivated, what mines have been opened, what forges, factories and foundries have been built, and what amount of the results of human industry, in a virgin country, have required transportation to promote the wealth and comfort of communities.

Turning to another page of Mr. Poor's book, I find that the New York Central road carried in 1857, 838,791 tons, and in 1867, 1,667,926 tons, being an increase of 98.85 per cent. That the Erie road carried in 1857, 978,069 tons; in 1867, 3,484,546 tons, being an increase of 256.26 per cent.; that the Pennsylvania Central carried in 1857, 530,420 tons, and in 1867, 4,000,538 tons, an increase of 654.24 per cent.; or, in other words, that the increase of tonnage on these three roads in ten years was 289.98 per cent.—within a small fraction of 300 per cent. increase in ten years.

And no surer index can be found of the ratio of the wealth than the statistics here given; for, as I have said, they denote new fields of labor and the labor of new men. Would you get at the law which governs this matter? Let me give it to you from the lips of one of the ablest railroad men in America, Thomas A. Scott, Esq., Vice President of the Pennsylvania Central

Railroad. That gentleman was examined last year before a committee of the Senate of Pennsylvania, who were authorized to inquire into the rates of local and through railroad freight. Having explained why local freights are higher than through freights, Mr. Scott, a sworn witness, was asked: "What is the effect of this system upon the towns along the road?" He replied: "I can only answer this question by stating the results. Our local business has increased very largely every year since the opening of the line. The following table, showing the actual increase of local tonnage moved during the past ten years, will perhaps give the committee some of the data they desire:

In the year 1857, the total number of tons local traffic moved was	901,226
In the year 1861, the number of tons local traffic moved was...	1,412,214
Showing that within that period of five years the increase had amounted to 50 per cent.	
In the year 1866, the total number of tons local traffic moved was	2,906,205

Showing that within the last period of five years the increase was more than 100 per cent. in the one year as compared with the other, and that the local tonnage moved in 1866 was over 300 per cent. greater than the movement in 1857."

Petroleum, Coal and Iron.

Let me, fellow-citizens, as a matter of just local pride, bring to your attention the fact that since 1863 the northwestern portion of our State, until then known as "the wild-cat region," the home of lumbermen, a region in which it was regarded as a calamity to own large tracts of land during the days that the State taxed real estate, has become one of the wealthiest and most productive portions of the country. Since then that great artery, the Philadelphia and Erie Railroad, has been constructed.

We find now upon national maps the names of cities and towns where five years ago the winds howled through the wilderness; all the valleys of that mountain region are penetrated by railroads; New York, Philadelphia, and Baltimore are competing in lavish expenditures of capital to connect themselves with its wealth. And even old Mother England sent a deputation of her enterprising capitalists to see how she could bring herself into the closest relations with the wealth of the old lumber regions of northwestern Pennsylvania.

Mr. Seymour, will you tell me what amount of petroleum was transported over the New York and Erie road prior to 1860? You can with your accustomed plausibility answer the question easily with an eloquent sneer. You can say that petroleum was

then a thing unknown. But I ask, is it unknown now? Sir, I am speaking of the extraordinary development of the wealth of the country, and your answer clinches my argument.

Being a little curious on this point, I begged the officers of the Pennsylvania and the Philadelphia and Erie roads to give me a memorandum of petroleum transported over their roads from August 1st, 1867, to August 1st, 1868, to the cities of Philadelphia and New York. I find it was as follows:

To New York, 314,829 barrels, per Pennsylvania and Philadelphia and Erie Railroads; to Philadelphia, per same roads, 854,259 barrels. Total, 1,169,088 barrels. About three-fourths of this, say 876,816 barrels, was refined oil, worth to-day, in the markets of Philadelphia and New York, \$11,416,144.

The remaining fourth was crude oil, worth in the same markets \$2,485,733, making a total value of \$13,901,917. The railroads transporting this oil from Pittsburgh and Correy received for freight alone \$1,698,688. And the best estimate that can be obtained of the amount carried to New York by the Atlantic and Great Western, the Erie and New York Central Railways combined, give about the same amount, showing a production in the last year of about \$28,000,000 worth of this hitherto unknown but valuable mineral product of our State, exclusive of what was sent West and South.

Do you reply further, Mr. Seymour, that this is an exceptional instance? If so, I reply, that it is, in comparison with others, a most insignificant exception. Stretching under the northwestern part of Kentucky, southwestern Indiana, and almost every mile of Illinois, Missouri, Kansas, and Iowa, lie nearly 130,000 square miles of coal beds, which the pick of the miner had scarcely penetrated in 1860, but which, in 1868, is being utilized in every home and workshop of the west. The coal statistics of this country cannot be obtained; it is a thing impossible, the quantities increase from day to day so rapidly, and the field of operations widens so rapidly, that the facts cannot be grouped and marshalled.

In the autumn of 1866, I visited the beautiful capital of Illinois, Springfield, and found its people consuming coal on which they had paid \$2.60 freight per ton. But when I returned to that city last autumn, they were receiving their fuel from one shaft within the city limits, and from another just beyond those limits, and there was active competition between the proprietors of the two shafts for the supply of the market. In 1866, observing the concentration of railroads at Bloomington, in the same State, I predicted a future of great manufacturing power for that rising city, but was met with the reply that there was no water power for manufacturing.

One year later, when there, I found that

the enterprising people of that city had also penetrated to the coal bed underlying it, and were exulting in the fact that while the men of enterprise in Philadelphia had been required to expend \$50,000,000 to connect their city with the coal fields of their State, they drew the fuel from its native bed at the door of the forge and the furnace. In 1866 Indiana made no iron, and the ores of Pilot Knob and Iron Mountain, Missouri, were, by reason of the sulphurous character of the Missouri coal beds that had then been opened, regarded only as a matter of export. To-day, under the influence of the newly-tested coal of the Big Muddy and almost pure carbon of Clay county, Indiana, a great iron centre is arising in and around St. Louis, and one that promises to rival not only Pennsylvania, but England, Belgium, and Prussia, is growing with marvellous rapidity in the neighborhood of Brazil, Indiana. Thus the marvels of northwestern Pennsylvania are fairly rivalled by those of southwestern Indiana, Missouri, and the Mississippi valley generally.

Nor are these without competitors. Come with me, Mr. Seymour, to the shores of Lake Erie. When abroad you doubtless traversed the Rhine, and revelled in the beauty of her vine-clad shores, but you saw no vineyards there to vie in breadth or luxuriance with those which crown the islands and shores of Lake Erie. The owners of these wide ranges of country—broader than our vision can embrace—are, in the language of your party friends, "bloated bondholders;" the success of grape culture having increased the value of their land from an average of \$10 or \$12 per acre, to an average of from \$1200 to \$1500 per acre within a decade or little more, and the magnificent annual return for their luscious crops has enabled them to lend the Government millions of greenbacks.

Come with me again to the shores of Lake Michigan and Lake Superior, and behold those wondrous deposits of copper. This interest is not prosperous now. The unpaid labor of the Peons of Chili has, under the English system of free trade, closed most of the copper mines of Cornwall and Devonshire, and is preventing these beds of ore, from being worked. But, you see, the copper is there. But look at what will surprise you even more—the concentration of population, and the increase of wealth in the iron region of Marquette. In 1857, a few stragglers who had gathered on the woody shores of Lake Superior, took from the earth 26,184 tons of iron ore, but in 1861, there were exported from the port of Marquette, by these same men, and those who have grown rich by coming to dwell among and around them, more than 525,000 tons of that better than Swedish ore. Nor, do these figures even faintly indicate the ratio in which wealth is increasing in the dense

forests on the shores of the upper lakes. The propeller, the wreck of which was announced in the papers of this morning, was freighted with ten thousand bushels of peaches, from the young orchards of this prosperous agricultural country. The young vineyards that crown the cleared lands, are rivalling those of the islands and shores of Lake Erie; and the rapidly increasing number of miners, smelters, and other workers in metals, afford a home market for the productions of the farm. Marquette does not export all her ore; for, Mr. Seymour, she produced of charcoal iron, the most valuable of all irons, in 1866, 35,448; and in 1867, 55,742.

How significant, too, are these general facts! The entire production of iron by anthracite coal, in this country, under free trade, Democratic rule, in 1858, was 361,830 tons, but in 1867, under a protective tariff, and with a limited volume of greenbacks as currency, it was 798,638 tons. The entire production of that metal by raw bituminous coal and coke, in 1858, was 58,351 tons, but in 1867 it was 318,647 tons; and by a note received yesterday from Mr. McAlister, the accomplished Secretary of the American Iron and Steel association, I am informed that the value of the finished iron (the product of our forges, foundries, and rolling mills) manufactured in our country, in 1860, was about \$40,000,000, and that in 1867, it was, as ascertained by reports to the association, \$170,492,240. (Immense applause.)

The Southern States—Slave Property.

Unable to dispute the facts I have thus brought to your notice, Mr. Seymour, you admit that there has been a great increase in the wealth and prosperity of the people of the North and the Pacific States; but with your usual plausibility, you assert that the South has been impoverished, and that in view of her loss of property, we are poorer than we were in 1861, when she made war upon us. Well, sir, I accept the issue, and stand prepared to prove that the people of the Southern States—the old slave States—are richer now than they ever were. (Applause.) What! you ask, will you make that assertion, in view of the fact that they lost nearly, or quite two thousand millions of dollars in slave property alone? Yes, sir, I do; for I deny your fact. The statement involves one of your crafty plausibilities. The slave property of the South was not destroyed. It is all there now, and in more effective working condition than ever before. (Applause.) Every man, woman, and child who would have been there had there been no war, are there now, except those who, having enlisted in the Union army, were killed by the Southern Democracy—those whom your distinguished friend, or General N. B. Forrest,

whom you so cordially welcomed as a delegate to the convention over which you presided, and who voted for your nomination, murdered in cold blood after their surrender, at Fort Pillow, or such as your other friends, of the Ku Klux Klan, have hung, shot, burned, or otherwise murdered. Yes, sir, with these exceptions, the former slaves of the South are all still there, ready to exchange honest toil for fair wages, (Applause.) And we must, therefore strike this item from your debit to my account.

The Diversification of Southern Employment.

Bear in mind, Mr. Seymour, the fact that it is not the wealth that lies buried in the earth which gives to land its market value, or to its owners income, but the enterprise and energy by which its mysterious depths are penetrated and their resources brought forth for use; the secret of value consists not in the latent capabilities of uncultivated lands, unwrought mines, or unused machinery, but in the use and annual product of these. The war added nothing to the natural wealth of the South, but it taught her people the possibilities of their country and their ability to develop them. In 1860, they bought their food for man and beast, stupidly clinging to the belief that their soil and climate would not produce the grains and cereals which are the ordinary elements for the sustenance of man and beast, and while thus purchasing grain and fodder, they kept no reproductive stock; mules and oxen were their beasts of burden. The system of labor of the South and its theory of government for the country, were identical in their tendency. The effect of each was to lock up in the earth the rich mineral wealth of the country. The South aimed to produce great staples and to trade with foreign nations. It suppressed the small farm and extended the large plantation. It ignored the mechanic arts and strove to prevent the development of its own mineral resources, by "keeping its workshops and shipyards beyond the sea," and the result was, that while a few of its nabobs rolled in wealth, the masses of its people endured a degrading poverty unknown not only to the people of the North, but to the peasants of Europe. But the exigencies of the war threw her people on their own resources, and compelled them to recognize the mighty capabilities of the South; and to raise their own food and produce their own iron, salt, and cloth. Chattanooga, Atlanta and Lynchburg are iron centres whose furnaces, forges and rolling mills are rivalling those of the most favored States of the Union. And the Superintendent of Industrial Resources, of Alabama, after announcing the extent and variety of her tide-water, iron and coal fields, boldly enters her as a competitor in the race for supremacy among the iron-producing States of the

country. By the way, Mr. Seymour, it may not be inappropriate in this connection to remind you that this office of Superintendent of Industrial Resources is not one of the old institutions of Alabama. It was created by the constitutional convention that was held under the reconstruction acts, and which also ordained a system of common schools for the State. Your friends call it the "black and tan" convention, because among the "carpet-baggers," "scalawags," and "white trash" who made up the bulk of its membership, were a few patriotic men to whom God had given the dark complexion and "kinky hair" of Joseph Williams, of Nashville, Tennessee, the only soldier from the Union army who represented a southern constituency in the convention over which you presided, and which nominated you for the Presidency. [Laughter and applause.]

No, Mr. Seymour, the South sustained no loss, except of lives, by the war, which has not been more than abundantly compensated, and I beg you to note my prediction that notwithstanding the devastations of the war the Census of 1870 will show her to be far richer than she was in 1860. I have indicated some of the causes that will promote the rapid augmentation of her wealth, but the most important remains to be stated. Her old system denied alike to the poor white and the slave the chance to accumulate capital. To the one class culture and self-improvement were denied by the habits of society as absolutely as they were prohibited to the other by statute law. The whole policy of her governing class was adverse to the establishment of cities and towns; they did nothing to promote social intercourse, intelligence, or emulation among the laboring classes of the people. In the rude agricultural pursuits of the South, no appropriate or remunerative employment was furnished to youth, to womanhood, or to feeble manhood; no diversity of pursuits invoked the ingenuity of the people, and, save the slave on the plantation, indolence was the prevailing characteristic of all the people. During the eighty years that the Democracy governed the country, that beneficent institution, the Homestead Law, was withheld from the people because it was incompatible with the large plantation and slave-labor system; but during the eight years of Republican government it has been enacted and carried into effect, and, by elevating the freedmen and poor whites into independent farmers, is producing marvelous results throughout the South. There is not a State in the South that is not now advertising for immigrants and proclaiming to the people of the world its mineral wealth, its water power, and its susceptibility for diversified employments. Ere long, the railroads and rivers of the South will be, as it were by magic, dotted with villages, towns and cities, and its small

farms, blooming like gardens, will present a strange contrast to its past poverty, ignorance and squalor. [Applause.] The crop of cotton for this year will not equal in bulk that of 1860, but it will yield more money at present prices than did that larger crop; and of the proceeds more will remain with the people of the South than ever before remained from the proceeds of the crop of a single year. This will be because this year the South has raised not only cotton but food for man and beast—and not only enough of the latter to supply the wants of its own people, but sufficient to enable them to export with their cotton immense quantities of corn and wheat. Indeed, Mr. Seymour, the South is richer than she was when she fired on Fort Sumpter.

Cotton and Woollen Goods.

Time will not permit us, Mr. Seymour, to collate and compare the statistics of the production of Cotton and Woollen goods. I regret this exceedingly, for the comparison in either case would be as striking and as conclusive in support of my estimate as any of the facts I have adduced. I will only invite your attention to the fact that every Western State is now producing woollen cloths, and that we are competing successfully with England with our cotton fabrics in the markets of China, Mexico, and South America.

The Pacific Railroads.

In concluding this branch of our colloquy, Mr. Seymour, let me bring to your notice the wealth created by the construction of the Pacific Railroads. They penetrate, and are connecting with the commercial ports of the Atlantic and Pacific oceans an empire more than twice as large as the combined states, kingdoms, and empires of Western Europe, including the British Islands, and far richer in mineral and agricultural resources than they. One of them, the Union Pacific, will be completed and ready to carry through freight and travel before the close of next year. It is already in use for eight hundred miles west of Omaha, through what two years ago was "the wilderness;" along its whole line are cultivated farms, for much of the land is prairie, thriving villages and populous cities; in the cities of Omaha and Cheyenne town lots and stores command almost as high a price as they do in the city of Philadelphia; and all this wealth is but the aggregation of two years of human industry upon territory which had previously been unproductive and had never felt the tread of the tax-gatherer's foot. [Applause.]

How substantial these new riches are, and how they are made to reproduce their own kind is well shown by the following description of the companies' shops at

Omaha; duplicates of which are now in process of construction 500 miles west of that city at Cheyenne.

"The buildings are of brick, 200 feet by 80, with wing 80 feet by 40. Paint shops 160 ft. by 35, with wing 40 ft. by 16. As we entered the buildings the noise of twenty or thirty different machines all in motion—the brawny workmen wielding ponderous sledge hammers—the endless whirr of swift-rolling wheels—the glowing metal, as it was taken at a white heat from the furnaces, scattering its bright sparks on every side—all spoke of a busy, active life springing up here on these Western plains, where, in our imagination, we fancied we should see nothing but herds of cattle and Indian encampments. In the buildings above enumerated I noticed several circular saws, planers, three boring machines, two mortice machines, one turning lathe, one bolt cutter, one drill-press, one jig-saw, one shaping-machine, two tennouters, and two tennon-machines, and these all driven by a single stationary engine of the very finest workmanship. In the main building were several locomotives of immense power and fine finish, most of them having been manufactured at the East, but put together here in the shops of the Union Pacific Railway, where all repairs are done also.

"The company manufacture most of their own cars, both freight and passenger cars, twenty-four flat cars are being turned out each week, besides one first-class and one second-class coach, and one or two baggage cars and cabooses each month. The first-class cars manufactured here are equal to any cars to be found on any of the Eastern railways, and indeed the whole rolling stock of the company will compare with that of any other road in the country. The lumber used is of three kinds, oak, ash, and pine, and cut into proper lengths and thickness for the object designed. The car finished is transferred to the painting department, receives its different coats and stripes, and is then run back to the drying-room. In this department there are three hundred and fifty men employed, which, in addition to the cars manufactured, turns out a large amount of furniture and cabinet work for the use of the railway offices and buildings along the track. In the forging and casting departments there are about the same number of workmen employed."

The other road, known as the Eastern Division, is now completed to a point 700 miles west of St. Louis. From Fort Wallace, on Smoky Hill, its course is nearly south to the 35th parallel at Albuquerque, and it will run on that line nearly due west to the Coast Range of mountains. It will thus not only connect us with San Francisco, but with San Diego and the railroads of Mexico. The earnings of this road are already immense, and those of the Union Pacific were last year over four millions of dollars in gold. (Long-continued applause.)

Now, Mr. Seymour, you are familiar with all these facts, and I submit to you whether it is honest, truthful or patriotic, to charge as you habitually do the advance of the government credit to these beneficent enterprises which has not and cannot cost the country one cent, as a corrupt expenditure by a Republican Congress of nearly \$40,000,000 of the people's money. (Applause.)

How the debt will be paid—A glance at the future.

Though my remarks have been discursive, have they not, my friends, served to convince you that my estimate of the wealth of the American people is moderate? Do you not believe that it amounts to more than \$50,000,000,000? (Cries of "Yes," "We do," and "That's so.") Then four per cent. on eight months interest at the rate of six per cent. per annum would pay the whole bonded debt, and settle the claims of the "bloated bondholders" upon the government. (Laughter and applause.) My over-burdened people, how can you exhibit such levity? Why do you not weep with Mr. Seymour, who feels that you cannot pay this enormous sum even as the price of the salvation of your country? But let us look at the future, and see if we cannot discover something cheering to soothe our agitated nerves.

The census reports from 1790 prove that our population doubles every 20 years. It is increasing more rapidly than ever before. Hitherto immigrants came only from Europe. But now they are pouring into the Pacific States from China, whose people number 500,000,000, or double the population of Western Europe. 10,000 Chinese are employed in building the Pacific end of the Union railroad of which I have spoken, and every steamer that arrives brings from 800 to 1,000 of these industrious people. But to return: our population doubles in 20 years, and if not another dollar of our debt be paid till then, the share of each American citizen in 1888 will be \$25, and his share of the interest involve a tax of a dollar and a half per year, or less than three cents a week. But what will the wealth of the country then be? If we may judge from its progress since 1850, it will have attained the almost inconceivable sum of \$800,000,000,000. It would therefore be unwise to tax the present generation to extinguish the debt. The Democrats have clamored for the payment of the debt by the generation that contracted it. Such was the theory of Andrew Johnson and Secretary McCulloch. But the Republican party in Congress, beholding our marvellous progress in population and the rapidly increasing wealth of the country, felt that the generation that had been harassed by the war, should not be oppressed by the burden of extinguishing a

debt incurred in its successful prosecution as it had been waged for posterity. They therefore sought, to so apportion the taxes as to merely provide each year for the current expenses and the payment of the interest. But they have been unable to reduce them safely with sufficient rapidity to accomplish this, and the debt has gone on paying itself. Our experience in this behalf reminds me of the story of the school-boy who unconsciously emitted a whistle while working out a difficult sum. Upon being reproached by the teacher, he denied the fact. "John," said the teacher, "don't add the crime of falsehood to your misdemeanor in violating a rule of the school." "Master," was the reply, "I didn't whistle; it whistled itself; I was at work at my sum." [Laughter and applause.] And while our policy has been to relieve industry and capital of all unnecessary burdens until the country should be restored to its normal condition, and the Southern States be in the full enjoyment of their productive power, we have paid more than \$250,000,000 of the principal of the public debt, and have paid in back pay, and bounties and pensions to our soldiers, and their widows and orphans, nearly \$700,000,000 more. During the height of the war every thing was taxed; during the three years since the war, taxes have been removed from more than ten thousand distinct articles. On no one of the questions now at issue may the policies of the two parties be contrasted with greater advantage to the Republican party than upon this question of taxation. But I am detaining you too long. [Cries of "No, you are not," "Go on."]

No, my friends, I will devote no more time to this point to-night. Other opportunities for discussing it will occur during the campaign. But there are two other points to which I will hastily allude.

A Plank in the Democratic Platform.

The fourth section of the Democratic platform reads as follows:

"Equal taxation of every species of property according to its real value, including Government bonds and other public securities."

Mr. Seymour, you were a member of the Convention. You assisted in framing the platform, and endorsed it in your acceptance of the nomination; and the toiling men who constitute nine-tenths of my constituents, will hold you responsible for this proposition to impose the burden of the taxes of which you complain upon labor and the necessities of life. [Applause.]

My fellow-citizens, let us examine this proposition. It proposes to tax at their real value the farmer's farm and stock, the mechanic's shop and tools, the laborer's home, and the manufacturer's machinery and the power that moves it. This is bad

enough. But this modern Democratic doctrine goes much farther. It proposes to tax the furniture in every working man's home, the hat on his head, the shoes on his feet, and the food he and his family eat. Against this blow at the laborers of the country, the Republican party interposes its power. It resists with all its force this aristocratic suggestion. It says "the barrel of flour is a necessity for every man, woman and child, and therefore it will not tax it; but the barrel of beer is a luxury and it will tax it; the clothes you wear are necessary, therefore it relieves them from taxation; the whiskey you drink is a luxury, therefore it taxes it even more heavily than it does beer; the tobacco you chew, the cigar you smoke, and the snuff you take are luxuries, and it taxes them; but food for man and fodder for cattle are prime necessities of life, and must not be taxed at their real or any other value." Thus, the Republican party has relieved from taxation the elements of life. But it has done more. To the laboring man it says, "you may own and use forty ounces of silver in your family and the Government takes no heed of it;" but to the man of wealth whose tea and dinner sets are of silver, it says, "for every ounce over forty we require you to pay a tax to the Government." It makes a distinction between the dining table and the billiard table. It has no tax for the former, but as the latter is a luxury it imposes a tax upon it. It imposes no tax upon the farmer's or laborer's cart or wagon, but upon the pleasure carriage worth more than \$300, it does put a tax. It makes no draft in the way of income tax upon the results of the laboring man's toil, or on the trader or shopkeeper who has not \$1000 clear annual income, above house rent, repairs, clerk hire, and such expenses. And surely the man who has more than a thousand dollars clear annual income, cannot call the Government oppressive because it calls upon him for a slight contribution for protecting him in his rights and property. [Applause.]

It is natural, Mr. Seymour, that your party, controlled as it is by the old slaveholding oligarchy, with their contempt for labor and the "mudsills of society," should now, that the slave is a freeman and demanding wages for his work, wish to tax him and all who labor. During the war, when your southern friends were making the army and navy cost hundreds of millions annually, every species of property was taxed. But thanks to the rapid increase of our wealth, and the vigorous system of retrenchment instituted by Congress, this is no longer necessary, and more than 10,000 distinct species of property involving the labor of American mechanics have been relieved of taxation. Yes, sir, a reduced scale of taxation on capital and articles of luxury is now furnishing funds ample to pay interest, current expenses, and an instalment of the principal of the debt each year. And it is

the purpose of the Republican party to further reduce these taxes at each succeeding session. [Cheers and cries of "Good."]

Taxing the Bonds.

Mr. Seymour, practical men regard commercial honor, unbroken faith, and undoubted credit as among the richest possessions of men or nations. Having these, a poor man or embarrassed country can borrow capital on easy terms, but when the want of these elements of character is known, extortionate rates of interest must compensate the greater risk of the lender. You understand this, Horatio Seymour, not perhaps instinctively, but Blackstone and others have impressed it on your mind, and I charge that your appeal to Mr. Ingersoll to induce your party press "to push the debt and taxation upon public attention," was a deliberate effort on your part to tarnish the honor and impair the credit of the country, and to maintain the high rate of interest at which you and your friends compelled us to contract the war debt, by depreciating the price of our bonds. (Immense cheering.) Yes, sir, the assaults of the Democracy upon the credit of the country have had the effect of compelling us to pay the high rate of interest which we are paying, just as their sympathy during the war strengthened the rebels when, but for the hopes it inspired, the war would have ended. (Cries of "That's so.")

You know that Congress cannot authorize State or municipal authorities to tax the bonds or other securities of the National Government! You know, Horatio Seymour, that the Supreme Court of the United States so long ago as the days of Washington and Marshall, decided that such an act would be unconstitutional. When those who had sympathized with Benedict Arnold attempted to destroy the credit of the Government by taxing the first bonds the Government was compelled to issue, that court interposed the aegis of the Constitution; and now, when you, Mr. Seymour, and Forrest, and Pendleton, and Wade Hampton, are conspiring to ruin our credit by the same inglorious trick, Congress calmly says to the public creditor, "Have faith! you shall be paid every dollar you lent our country. We saved the Union, and we will maintain the Constitution." (Applause.)

Congress may tax such of the bonds as are held by American citizens; and it exercises the power. Income derived from bonds pays precisely the same rate of taxes as income derived from any other species of property. Thus far Congress dare go, and thus far it has gone. (Applause.)

Democratic Hypocrisy---The Funding Bill.

During the last session of Congress we passed a funding bill, by which we offered four and four and a-half per cent. for long loans, the interest payable in gold semi-annually, and the principal in gold at the maturity of the bond. Against that bill the Democrats in both Houses spoke, filibustered and voted, but we finally passed it. It may be that it was not the wisest bill that could have been framed, but its adoption would have given us the advantage of some experience upon an untried question. It was an experiment, and if but a few millions of our six per cent. loan had been taken at four or four and a-half, the taxes could again have been reduced as the interest of the debt was thus diminished. But, rallying around our recreant President, your friends, Mr. Seymour, in both Houses and throughout the country induced him to withhold his signature from the bill and prevent it from becoming a law. Are you honest in your outcry against the debt and taxation? If so, why not permit the experiment of offering to those who, in spite of Pendleton's ingenious plan of repudiation, are eagerly buying our six per cent. bonds, an assured gold bond at four or four and a-half per cent. In the light of these facts, Mr. Seymour—the resistance of your friends to every honorable effort for the reduction of these burdens—how impudently hypocritical are your expressions of sympathy with the debt and tax-burdened people! (Applause, and cries of "Hit him again.")

The Democracy want to Pay the Confederate Debt, or Repudiate Ours.

In conclusion, I will consider one other point. The history of that article of the Constitution known as the 14th Amendment is most significant. Their course on this question alone should doom to perpetual infamy the Northern leaders of the Democratic party. The 4th section of that amendment reads as follows:

"The validity of the public debt of the United States, authorized by law, including debts incurred for payment of pensions and bounties for services in suppressing insurrection or rebellion, shall not be questioned. But neither the United States nor any State shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the United States, or any claim for the loss or emancipation of any slave; but all such debts, obligations, and claims shall be held illegal and void."

This provision, you perceive, gives express constitutional sanction to the public debt and the soldiers' pensions, and pre-

cludes the possibility of the Government or any State ever assuming any debt contracted in aid of insurrection, or rebellion, or for the loss, or emancipation of any slave. The Confederate debt amounted to \$1,700,000,000 of dollars. The estimated value of the slaves of the South ranged from \$1,200,000,000 to \$2,000,000,000; the two combined thus make a debt larger than the national debt, amounting to at least \$3,000,000,000. The credit of our country was damaged by the suggestion that these debts would one day be assumed, and consequently the adoption of some such amendment was imperatively demanded. Now, what has been the attitude of Mr. Seymour and the Democracy of the country, with reference to this amendment? They resisted it in Congress; they resisted it in each State Legislature. And when, in accordance with His inscrutable providence, the Almighty permitted them to obtain temporary possession of New Jersey and Ohio, they made eager and unseemly haste to withdraw the consent of those States which had previously been given by Republican Legislatures. Why is this, my friends? If they wish to relieve the people of their burdens, if they wish to diminish the rate of interest and reduce the debt, why is this? Is it that they object to the payment of bounties and pensions to the soldiers and their suffering widows and orphans? or is it that, regarding the debt as unconstitutional, as having been contracted in what they still regard as an unholy war, they desire to so swell it as to necessarily involve its repudiation? Mr. Pendleton's theory of greenbacks is repudiation scarcely qualified. Issue two thousand millions of greenbacks, with which to extinguish the bonded debt, and would you have paid the debt by that operation? Who would pay the greenbacks? Would not each one of them be an obligation for a dollar payable by the country? Look at it, my friends. You owe the man who loaned you the money to build your house a mortgage, and you propose to pay him in your promissory note. Would you not still, if he were fool enough to accept it, owe him the same amount on your promissory note, and would not the law attach legal interest thereto? Mr. Pendleton and Mr. Seymour are not such fools as to misunderstand this; but they know that the effect of the emission of such an amount of currency would be to render it worthless as French assignats or Continental money, and thus wipe out the debt. Two thousand millions added to our volume of currency, and you would require a market-basket in which to carry your money to market, but your marketing could be carried in a butter-kettle. Add \$2,000,000,000 to the paper currency of the country, in exchange for the bonds, and every savings'

bank in the country would be bankrupt, no insurance company in the country could pay its policies, the industry of the country would be paralyzed, labor would have no employment or reward, and property no security! "The bloated bondholder," says Mr. Pendleton. Who are the "bloated bondholders?" I find that the bonds were issued in small amounts to millions of people. While there were issued 1,474,940 of the amount of \$100, there were but 8,821 of the value of \$5,000. Let me invite your attention to an official statement of the number of each denomination:

Number of bonds of \$50.....	962,580
Number of bonds of \$100.....	1,474,940
Number of bonds of \$500.....	426,792
Number of bonds of \$1,000.....	370,376
Number of bonds of \$5,000.....	8,821

The masses of the people hold these bonds. Many of you are bondholders. The estates of widows and orphans, whether of soldiers or of citizens, are invested in these bonds, and their future depends upon their honest redemption. Every one of you who has a deposit in a savings' bank, who owns a share in a bank or in an insurance company, or whose life or place of business or little home is insured by any of the insurance companies of this or neighboring cities, has an interest in the faithful payment of the bonds of the Government, of which they are heavy holders. The blows of Mr. Pendleton and Mr. Seymour are aimed at you, and it is you they denounce as "bloated bondholders."

Without detaining you longer, let me say, my friends, that you have fought for the honor of your country, you have labored for it, or you have perilled whatever of fortune you had in its cause. Its honor is your honor; the lustre of its proud name is your glory. And could I hold out to you no selfish inducements, such as those I have presented, the honor and glory of your country would be sufficient to induce you to stand by the Republican cause, and say to those who, within three years, have repealed taxes to an amount that, if unrepealed, would yield the Government two hundred and fifty millions of dollars per annum, and who, while doing this, have squared accounts with and paid the back pay, bounties, and pensions of the soldiers and sailors of the country, and extinguished more than \$250,000,000 of the principal of the bonded debt of the country, go on, good and faithful; guide us into history, and by the continued splendor of your course add to the obloquy that covers the Seymours, the Lees, the Pendletons, the Jeff. Davises, and other rebels of the country, North and South! [Long-continued cheers.]